

SECOND REGULAR SESSION

SENATE BILL NO. 958

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR KENNEDY.

Read 1st time January 26, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

3933S.01I

AN ACT

To amend chapter 33, RSMo, by adding thereto one new section relating to privatization contracts.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 33, RSMo, is amended by adding thereto one new section, to be known as section 33.910, to read as follows:

33.910. 1. This section shall be known as and may be cited as the "Public Service Accountability Act".

2. Each state agency shall prepare an analysis of the costs and benefits to the agency of privatizing services and continuing to provide such services through the employees of the agency for all services valued at one hundred thousand dollars or more, excluding agreements that only provide legal or management consulting services. The provisions of this section shall not apply to contracts let by the Missouri highways and transportation commission for the construction or repair of highways, bridges, ports, public transportation facilities, and waterways.

3. If the agency determines in its analysis that it is cost-effective to privatize such services, the agency shall prepare a specific written statement of the services, including the specific quantity and standard of quality of the services. Additionally, the agency shall prepare a comprehensive written estimate of the costs of regular agency employees providing the same services, including all direct costs of the agency's employees, including pensions, insurance, and other employee benefits. The agency shall then solicit competitive sealed bids for the privatization contracts based upon such statement.

4. For a privatization contract to be an option for the agency, the projected cost savings of the proposed privatization contract shall exceed ten percent of the cost of delivering the services with state

23 employees. The term of a privatization contract shall not exceed five
24 years. The privatization contract shall not be amended for the purpose
25 of avoiding any requirements of this section.

26 5. If the agency accepts a privatization contract, the contractor
27 shall offer available employee positions to qualified regular employees
28 of the agency whose state employment is terminated because of the
29 privatization contract and who satisfy the hiring criteria of the
30 contractor.

31 6. The agency, the contractor, and any subcontractor that enter
32 into a privatization contract shall be expected to meet any obligations
33 imposed by the federal Freedom of Information Act with respect to any
34 public record related to the privatization contract. Any action taken by
35 the contractor or subcontractor to avoid complying with any provision
36 of the federal Freedom of Information Act shall subject the parties to
37 investigations by the attorney general of Missouri, who may seek
38 damages on behalf of the state or restitution for damages, including back
39 pay, suffered by any person as a result of the violation.

40 7. A copy of the proposed privatization contract and the agency's
41 certificate of compliance shall be forwarded to the state auditor's office
42 for review. Written approval or objection shall be provided to the agency
43 within thirty days. No agency may implement a contract if the state
44 auditor notifies the agency of an objection. Information regarding the
45 qualifications and experience of the contractor's employees intended to
46 provide the services shall be provided. Each bid shall also include
47 information on any legal complaint or workplace violation, either
48 alleged or cited, against the contractor.

49 8. Each proposed privatization contract shall include information
50 on any political contributions made by the proposed contractor or any
51 employee who holds a management position with the proposed
52 contractor to any elected officer of the state or member of the general
53 assembly during the four years prior to the due date of the proposed
54 privatization contract. No state funds shall be used to support or oppose
55 union activity of the employees of any contractor that executes a
56 privatization contract.

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